

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1894 - SB 1972

March 7, 2016

**SUMMARY OF ORIGINAL BILL:** Increases the maximum limit of the value of a life insurance policy from \$7,500 to \$15,000 for which the submission of a photocopy of the certificate of death along with a signed, sworn statement by the appropriate doctor or funeral director suffices as evidence of proof of death. Increases the maximum value of deposits in a bank from \$10,000 to \$15,000, for which the bank, upon 30 days from the death of the depositor and in the absence of an executor or administrator, may make disbursements out of all accounts.

Increases the maximum value of one or more checks made payable to a decedent from \$2,500 to \$15,000, for which a bank, upon 90 days from the death of the decedent and in the absence of an executor or administrator, may negotiate or send for collection and pay out the proceeds of such check or checks. Increases the maximum value of one or more safety deposit boxes from \$10,000 to \$15,000, for which a savings or loan institution may, upon 30 days from the death of the depositor and in the absence of an executor or administrator, pay out all accounts.

Increases the maximum value of one or more checks made payable to a decedent from \$2,500 to \$15,000, for which a savings or loan institution, upon 90 days from the death of the decedent and in the absence of an executor or administrator, may negotiate or send for collection and pay out the proceeds of one or more checks.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (012816):** Deletes and rewrites the bill such that the amended bill includes all language of the original bill and adds new Sections 4, 5, 8, and 9. Substantive changes include: (1) decreases the maximum value of one or more checks made payable to a decedent from \$15,000 as provided in the original bill, to \$15,000, for which a bank, upon 90 days from the death of the decedent and in the absence of an executor or administrator, may negotiate or send for collection and pay out the proceeds of such check or checks; and (2) decreases the maximum value of one or more checks made payable to a decedent from \$15,000, as provided in the original bill, to \$10,000, for which a savings or loan institution, upon 90 days from the death of the decedent and in the absence of an executor or administrator, may negotiate or send for collection and pay out the proceeds of one or more checks.

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## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- According to the Department of Financial Institutions, the Department's bank examiners will need to be made aware of the changes enacted by this legislation. This can be accomplished utilizing existing resources during normal work hours.
- This legislation primarily affects private parties and will have no significant impact on state or local government.

## **IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

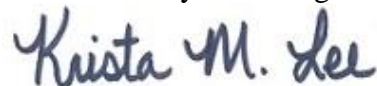
**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- This legislation will primarily affect private parties and will have no significant impact upon commerce or jobs in this state.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jdb